

(Unapproved and Subject to Change)
CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF MEETING, Public Session

January 28, 2011

Call to Order. Chairman Dan Schnur called the meeting to order at 10:00 a.m., at 428 J Street, Eighth Floor, Sacramento, California. Chairman Dan Schnur, Commissioners Tim Hodson, Lynn Montgomery and Ronald Rotunda were present. Chairman Schnur announced that Commissioner Garrett was absent due to illness.

PUBLIC COMMENT

- 1. Public Comment.** This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

Chairman Schnur stated that the public comments for items not on the agenda will be moved to later in meeting.

Chairman Schnur expressed his gratitude to Chuck Bell, Bob Stern, and members of the Task Force for the amount of time and energy that they put into this work. The Chairman then asked Mr. Stern and Mr. Bell to address the Commission and present an overview of their work for the last few months.

Item No. 2- Final proposals from the Task Force on the Political Reform Act.

Chuck Bell and Bob Stern, co-chairman of the Task Force gave an extensive report outlining their recommendations for updating the Political Reform Act. They offered four general topics, broken down into particular action items, for the Commission's review and consideration. The first item addressed by the Task Force was statewide electronic filing and encouraging state and local consistency which would not only simplify the process for filers, but will also make information readily available to the public. The Task Force also addressed increasing disclosure, transparency and simplification of filing. Last, the Task Force addressed one of the most important aspects of the Act's intent: raising public confidence in its public officials.

The Chairman thanked the Bob Stern and Chuck Bell for a very thorough report on the recommendations of the Task Force for revisions to the Political Reform Act.

- 3. Consideration of Regulations Implementing Parts of the Final Report of the Chairman's Advisory Task Force on the Political Reform Act.**

The Chairman thanked all legislators for their support and stated that two of the members of the Legislature, Assembly Member Huffman and Assembly Member Fletcher, have be

very active in working with the Task Force to effect change at the statutory level. Andi Leibenbaum from Assembly Member Huffman's office stated she was very grateful to the FPPC staff, practitioners and reformers for their work on the Task Force and that their primary goal was to restore public confidence in government.

- A. Adoption of Regulations 18401.1 and 18435.5 – Slate Mail.** Staff: Commission Counsels Hyla Wagner, Brian Lau and Sukhi Brar and General Counsel Scott Hallabrin. These regulations implement recommendations of the Chairman's Task Force on the Political Reform Act by setting new recordkeeping rules for slate mailer organizations and improving slate mailer disclaimer requirements. The regulations also clarify the asterisk rule when a third party pays for a candidate to be on a slate mailer, improve the legibility of the required "Notice to Voters" in terms of its placement, color contrast and language, and provide that the disclaimers apply to slate mailers sent by electronic mail.

Staff gave a summary on the adoption of regulations 18401.1 and 18435.5 relative to Slate Mail.

Based on questions from Commissioners Executive Director, Roman Porter made a recommendation to change the language starting on line 21 to read, "is printed in black text on a white background or a similar degree of color contrast between the background and text of the disclaimer." Then delete the rest of line 22 and 23.

Commissioner Rotunda moved to change the language on lines 21 and 22, the motion was seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, Chairman Schnur. The motion passed 4-0.

There was a motion to adopt Regulation 18401.1 by Commissioner Rotunda, seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, Chairman Schnur. The motion passed 4-0.

- B. Adoption of Amendments to Regulation 18435 and Regulation 18450.4 - Requiring "Paid for by" in Campaign Identification.** Staff: Assistant General Counsel John W. Wallace and General Counsel Scott Hallabrin. These regulations implement recommendations of the Chairman's Task Force on the Political Reform Act by requiring the words "paid for by" when providing the identity of the sender in the Act's "sender identification" provisions and the identity of top donors in the Act's advertising disclosure provisions.

Staff presented an overview of the regulations 18435 and 18450.4. Chairman Schnur asked for comments from the Commission and the general public. There were none.

There was a motion to adopt Regulation 18435.5 with amendments by Commissioner Rotunda, it was seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, Chairman Schnur

The motion passed 4-0.

- C. Adoption of Amendments to Regulation 18404.1 - Termination and Reopening of Committees.** Staff: Commission Counsel Val Joyce and General Counsel Scott Hallabrin. The proposed amendments implement recommendations of the Chairman's Task Force on the Political Reform Act by modifying the termination rules applicable to state candidate committees as follows: (1) eliminate the requirement to terminate a committee that has debt; (2) change the deadline for terminating a committee without debt from nine months to 24 months; and (3) simplify the procedure for extending the termination deadline beyond 24 months.

Staff presented an overview of the regulation 18404.1. Chairman Schnur asked for comments from the Commission and the general public.

Commissioner Rotunda moved to adopt the regulation 18404.1 as recommended by staff, seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, and Chairman Schnur. The motion passed 4-0.

- D. Adoption of Amendments to Regulation 18116 – 24 Hour Contribution Reporting.** Staff: Commission Counsel Heather Rowan and General Counsel Scott Hallabrin. This regulatory action is proposed to implement recommendations made by the Chairman's Task Force on the Political Reform Act. Staff proposes amendments to Regulation 18116 allowing a grace period for committees that have 24-hour contribution reports due on a weekend or state holiday, unless that weekend or holiday falls on the weekend before an election.

Staff presented their report on Regulation 18116 – 24 Hour Contribution Reporting.

Chairman Schnur asked for any comments from the Commissioners or the general public. There were none.

Commissioner Hodson moved to adopt the regulation as recommended by staff, seconded by Commissioner Rotunda.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, and Chairman Schnur.

The motion passed 4-0.

Chairman Schnur called for a 1 hour recess of the Commission for a lunch break. Upon returning from lunch break Chairman Schnur asked if there were any public comments relative to items not on the agenda.

Auriana Riddle from the Solano County Registrar of Voters made a comment relative to Government Code Section 81002 which requires candidates to report receipts and expenditures in elections campaign so that the voters may be informed of who is financing the campaigns. She also had a question relative to Government Code Section 81008.

Chairman Schnur asked if Government Code Section 81008 falls within the jurisdiction of the FPPC. Roman Porter, Executive Director, said yes it did. Gary Winuk, Chief of Enforcement suggested that Ms. Riddle talk to Jeanette Turvill from the enforcement staff and she would take a complaint request from Ms. Riddle.

MOTIONS TO VACATE

4. **Motion to Vacate Default Decision and Order, In the Matter of Michelle Berman FPPC No. 10/115** Staff: Gary Winuk, Chief of Enforcement, Commission Counsel Bridgette Castillo. The Commission will consider a motion filed with the Commission by Respondent Berman to vacate the Commission's Default Decision and Order approved at the November 12, 2010 hearing.
5. **Motion to Vacate Default Decision and Order, In the Matter of Adrienne Lauby FPPC No. 10/116** Staff: Gary Winuk, Chief of Enforcement, Commission Counsel Bridgette Castillo. The Commission will consider a motion filed with the Commission by Respondent Lauby to vacate the Commission's Default Decision and Order approved at the November 12, 2010 hearing.

After discussion by Commissioners, Commissioner Rotunda moved to reject the motion to vacate on items 4 and 5. The motion was seconded by Commissioner Hodson.

Ayes: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, and Chairman Schnur. The motion passed 4-0.

ENFORCEMENT CASE

6. **In the Matter of Tim Foley, FPPC No. 10/117 (Default Decision).** Staff: Commission Counsel Bridgette Castillo and Special Investigator Janet Seely. In this matter, Respondent, acting as an agent or intermediary, made a contribution on behalf of another person, such that the identity of the donor was not reported, in violation of Government Code sections 84301 and 84302. (1count). **Total Proposed Penalty: \$4,500.**

After discussion by the Commission, Commissioner Rotunda to accept the default, seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Rotunda and Chairman Schnur

NOES: Commissioner Montgomery. Motion passed 3-1.

Chairman Schnur stated that we would now move on the proposed consent calendar.

Roman Porter, Executive Director, asked that Item 42 be removed from the consent calendar to be brought back to you at a later date. Chairman Schnur asked for what reason. Gary Winuk, Chief of Enforcement, stated they needed time to enter into a stipulated agreement. Chairman Schnur further asked if they were working with Counsel for the respondent in this matter. Gary Winuk stated yes.

Chairman Schnur asked if there were any other item to be removed from the consent calendar and stated that so far item 9 and 42 would be removed.

Matt Laughner asked to speak on Item 14 on the consent calendar. Chairman asked Mr. Laughner, as a matter of protocol, if he wanted item 14 removed from the calendar. Mr. Laughner said yes.

Commissioner Hodson moved to pass the consent calendar minus, item 9, 14 and 42.
Commissioner Rotunda.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda and Chairman Schnur

The motion passed 4-0

PROPOSED CONSENT CALENDAR – ITEMS 7 THROUGH 43

7. Approval of November 12, 2010, Commission meeting minutes.

Campaign Reporting Violations

8. In the Matter of Yolo County Democratic Central Committee Local Account, Bob Bockwinkel and William Julian II, FPPC No. 08/357. Staff: Senior Commission Counsel Galena West and Program Specialist Luz Bonetti. In this matter, during 2007 and 2008, Respondents Yolo County Democratic Central Committee Local Account, Bob Bockwinkel and William Julian II failed to timely file required pre-election campaign statements, in violation of Government Code Sections 84200.5, subdivision (f), 84200.7, and 84200.8 (2 counts), and failed to timely file required semi-annual campaign statements, in violation of Government Code Section 84200, subdivision (a) (5 counts). **Total Proposed Penalty: \$13,500.**

10. In the Matter of Chico Democrats 08 and Michael Worley, FPPC No. 09/537. Staff: Chief of Enforcement Gary Winuk and Special Investigator Beatrice Moore. In this matter, Respondent Chico Democrats 08 was formed in 2008 as a federal political action committee for the Chico Democratic Club, which is a chartered entity of the Butte County Democratic Central Committee. Respondent Michael Worley has been the treasurer of Respondent Committee since its inception. Respondent Chico Democrats 08, in or about 2008, qualified as a committee in California and failed to file required campaign statements and reports, in violation

of Government Code Sections 84101, subdivision (a), 84200, subdivision (a), and 84204 (1 count) and sent a mass mailing which failed to display the required sender identification, in violation of Government Code Section 84305, subdivision (a) (1 count). **Total Proposed Penalty: \$4,000.**

11. **In the Matter of Respondents Michael Ramos, Committee to Re Elect Mike Ramos San Bernardino County District Attorney-2010, and Marvin Reiter, FPPC No. 10/269.** Staff: Senior Commission Counsel Neal Bucknell and Political Reform Consultant Jeanette E. Turvill. Respondent Michael Ramos is the District Attorney of San Bernardino County. Respondent Committee to Re Elect Mike Ramos San Bernardino County District Attorney- 2010 is his controlled committee. Respondent Marvin Reiter is the committee treasurer. In this matter, Respondents failed to disclose required vendor information for nine credit card expenditures of \$100 or more, totaling approximately \$8,619, on a semi- annual campaign statement for the reporting period of July 1 through December 31, 2009, in violation of Government Code section 84211, subdivision (k) (1 count). **Total Proposed Penalty: \$2,500.**
12. **In the Matter of Tracy McMahon, Committee to Elect Tracy McMahon and Noreen Considine, FPPC No. 08/668.** Staff: Chief of Enforcement Gary Winuk and Senior Special Investigator Sandra Buckner. In this matter, Respondent Tracy McMahon was an unsuccessful candidate for Jurupa School Board in the November 2008 election. Respondent Committee to Elect Tracy McMahon was Respondent McMahon's controlled committee. Respondent Noreen Considine was the treasurer for Respondent Committee. Respondents, on or about October 3, 2008, received a cash contribution in excess of \$100, in violation of Government Code Section 84300, subdivision (a) (1 count) and, on or about October 31, 2008, failed to verify and sign under penalty of perjury a campaign statement, in violation of Government Code Section 81004 (1 count). **Total Proposed Penalty: \$2,000.**
13. **In the Matter of Christopher Robles, FPPC No. 07/040 (Default Decision).** Staff: Commission Counsel Zachary W. Norton and Senior Special Investigator Leon Nurse-Williams. Respondent Christopher Robles, a member of the Los Angeles County 58th Assembly Democratic Central Committee, failed to file a short form campaign statement covering the reporting period January 1, 2006 through December 31, 2006, with the County of Los Angeles, in violation of Government Code Section 84206 (1 count). **Total Proposed Penalty: \$2,000.**
15. **In the Matter of Hubert Walsh, Hub Walsh for Supervisor, and Marcia B. Hall, FPPC No. 10/711.** Staff: Senior Commission Counsel Galena West and Program Specialist Luz Bonetti. In this matter, Respondent Hubert Walsh, a candidate for Merced County Board of Supervisors, his candidate controlled committee Hub Walsh for Supervisor and campaign committee treasurer Marcia B. Hall in 2008 received seven cash contributions of \$100 or more, in violation of Government Code Section 84300, subdivision (a) (1 count). **Total Proposed Penalty: \$1,500.**

Campaign Reporting Violations – Streamline

- 16. In the Matter of Phillip Shrotman, Friends of Phillip Shrotman Long Beach City College Board of Trustees, Dist. 5-2010, and Phillip Shrotman, Treasurer, FPPC No. 10/927.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondents Phillip Shrotman, Friends of Phillip Shrotman Long Beach City College Board of Trustees, Dist. 5 -2010, and Phillip Shrotman, Treasurer, failed to timely file the Form 470 Supplemental, two pre-election reports, and one semi-annual campaign report, in violation of Government Code Sections 84206, 84200.5, and 84200, respectively (4 counts). **Total Proposed Penalty: \$1,600.**
- 17. In the Matter of Cajon Valley Education Association and Gregory N. Chase, Treasurer, FPPC No. 10/564.** Staff: Political Reform Consultant Adrienne Korchmaros. Cajon Valley Education Association and its Treasurer, Gregory N. Chase, failed to file two semiannual campaign statements, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$400.**
- 18. In the Matter of Committee to Elect Joe Moreno, Joe Moreno, Treasurer, FPPC No. 10/961.** Staff: Political Reform Consultant Jeanette E. Turvill. Mountain View School District candidate and officeholder, Joe Moreno, and his committee, Committee to Elect Joe Moreno, failed to timely file two semi-annual campaign statements in violation of Government Code Section 84200 (2 counts). **Total proposed penalty: \$400.**
- 19. In the Matter of John Pedrozo, Committee to Elect John Pedrozo, and Edward Spinardi II, Treasurer, FPPC No. 10/600.** Staff: Commission Counsel Bridgette Castillo and Program Specialist Grant Beauchamp. Respondent John Pedrozo was a candidate for Merced County Supervisor. Respondent Committee to Elect John Pedrozo was the controlled committee of Respondent Pedrozo. At all relevant times, Respondent Edward Spinardi II was the treasurer for Respondent Committee. In this matter, Respondents failed to timely file two pre-election campaign statements for the periods January 1, 2008 through March 17, 2008, and March 18, 2008 through May 17, 2008, in violation of Government Code Section 84200.7 (2 counts). **Total Proposed Penalty: \$400.**
- 20. In the Matter of Coalition of Susan Boyd FPPC No. 09/777.** Staff: Commission Counsel Zachary W. Norton and Special Investigator Mark Weber. Respondent Susan Boyd was a candidate for reelection to the La Cañada Unified School District board. Respondent failed to timely file a second pre-election campaign statement for the reporting period of September 20, 2009, through October 17, 2009, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**
- 21. In the Matter of Jeffrey H. Fox, Committee to Re-elect Jeff Fox, and Jeffrey H. Fox, Treasurer, FPPC Case No. 10/599.** Staff: Political Reform Consultant

Adrienne Korchmaros. Respondents Jeffrey H. Fox, City of Beaumont Council Candidate, Committee to Re-elect Jeff Fox, and Jeffrey H. Fox, Treasurer, failed to timely file a semiannual report in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

22. In the Matter of Whitney Dotson, Whitney Dotson For East Bay Regional Parks District, and Ifeoma Adams, Treasurer, FPPC No. 10/226. Staff: Political Reform Consultant Adrienne Korchmaros. Respondents Whitney Dotson, Whitney Dotson For East Bay Regional Parks District, and Treasurer Ifeoma Adams failed to timely file a semi-annual report, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

23. In the Matter of National Women’s Political Caucus of San Diego and Judith K. Walters, Treasurer, FPPC No. 10/576. Staff: Political Reform Consultant Adrienne Korchmaros. National Women’s Political Caucus of San Diego and its treasurer, Judith K. Walters failed to timely file a semi-annual campaign statement, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

Conflict of Interest

24. In the Matter of Jerry “Pat” Maguire, FPPC No. 10/114. Staff: Senior Commission Counsel Luisa Menchaca and Senior Special Investigator Sandra Buckner. Respondent Maguire is a director in the El Camino Irrigation District (“ECID”). As a director of the ECID, Mr. Maguire impermissibly made two governmental decisions which directly affected his real property interests by voting on an irrigation plan concerning real property located within 500 feet of his real property, in violation of Government Code Section 87100 (2 counts). **Total Proposed Penalty: \$7,000.**

25. In the Matter of Dendra Dengler, FPPC No. 09/438. Staff: Senior Commission Counsel Neal Bucknell and Special Investigator Beatrice Moore. Respondent Dendra Dengler, in her capacity as a member of the Manila Community Services District Board of Directors, made a governmental decision in which she had a financial interest, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$4,000.**

26. In the Matter of Michael Rubio, FPPC No. 07/293. Staff: Senior Commission Counsel Galena West, Special Investigator Mark Weber and Senior Special Investigator Leon Nurse-Williams. Respondent Michael Rubio, as a member of the Kern County Board of Supervisors, failed to timely report all required information regarding income on his annual Statement of Economic Interests for calendar year 2006, in violation of Government Code Sections 87200 and 87203 (1 count), and made a governmental decision in which he had a financial interest, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,500.**

27. **In the Matter of John K. Anderson, FPPC No. 09/735.** Staff: Commission Counsel Zachary W. Norton and Special Investigator Paul Rasey. In this matter, Respondent John K. Anderson, Finance Director and City Administrator for the City of Dunsmuir, used his official position to influence a governmental decision in which he had a material financial interest, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,000.**
28. **In the Matter of Henry Veatch, FPPC No. 06/084.** Staff: Commission Counsel Sukhi K. Brar and Special Investigator Mark Weber. In this matter, Respondent made a governmental decision as a member of the Alpine County Board of Supervisors to allocate funding to one of his sources of income, the Alpine Children's Center, in violation of Government Code Section 87100 (1 count). **Total Proposed Penalty: \$3,000.**

Late Contribution Reporting Violations - Streamline

29. **In the Matter of Los Angeles County Democratic Party-State Issues & Advocacy Committee and Kinde Durkee, Treasurer, FPPC No. 10/797.** Staff: Chief of Enforcement Gary Winuk and Political Reform Consultant Jeanette Turvill. In this matter, Respondent Los Angeles County Democratic Party-State Issues & Advocacy Committee is a general purpose committee. Respondent Kinde Durkee is the treasurer of Respondent Committee. Respondents failed to file late contribution reports for a total of \$129,302 of late contributions received in 2005 and 2006, in violation of Government Code Section 84203 (7 counts) and failed to report independent expenditures totaling \$53,470 in 2006 and 2007, in violation of Government Code Section 84203.5 (3 counts). **Total Proposed Penalty: \$18,710.30**
30. **In the Matter of Noreen Considine and Committee to Elect Noreen Considine, FPPC No. 08/667.** Staff: Chief of Enforcement Gary Winuk and Senior Special Investigator Sandra Buckner. In this matter, Respondent Noreen Considine was a successful candidate for Jurupa School Board in the November 2008 election. Respondent Committee to Elect Noreen Considine was Respondent Considine's controlled committee. Respondents made a contribution of \$7,000 to Committee to Elect Tracy McMahon and failed to timely report it, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$1,050.**

Major Donor Violation – Streamline

31. **In the Matter of Zelma Allred, FPPC No. 10/1097.** Staff: Political Reform Consultant Teri Rindahl. Zelma Allred, a major donor committee, failed to timely file a major donor statement, Form 461, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$400.**
32. **In the Matter of Craig Jacobson, FPPC No. 10/1047.** Staff: Political Reform Consultant Teri Rindahl. Craig Jacobson, a major donor committee, failed to

timely file a major donor statement, Form 461, in violation of Government Code section 84200 (1 count). **Total Proposed Penalty: \$400.**

Statement of Economic Interests - Non-filer – Streamline

- 33. In the Matter of Barbara Bamberger, FPPC No. 10/559.** Staff: Senior Commission Counsel Luisa Menchaca and Senior Special Investigator Leon D. Nurse-Williams. Respondent Barbara Bamberger failed to timely file an assuming office Statement of Economic Interests and failed to report economic interests on the 2008 and 2009 annual Statements of Economic Interests, in violation of Government Code Sections 87300 and 87302 (2 counts). **Total Proposed Penalty: \$400.**
- 34. In the Matter of Robert Palomares, FPPC No. 10/ 533.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Robert Palomares, Information Officer I -Specialist for the Department of Toxic Substances, failed to timely file a 2009 annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$400.**
- 35. In the Matter of Hans Britsch, FPPC No. 10/451.** Staff: Political Reform Consultant Teri Rindahl. Respondent Hans Britsch, a planning group member of the County of San Diego Valley Center City Planning Group, failed to file assuming office and 2009 annual Statements of Economic Interests, in violation of Government Code Section 87300 (2 counts). **Total Proposed Penalty: \$400.**
- 36. In the Matter of Robert Bandy, FPPC No. 10/514.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Robert Bandy, Planning Commissioner for the City of Kerman, failed to timely file an assuming office Statement of Economic Interests, in violation of Government Code Section 87202 (1 count). **Total Proposed Penalty: \$200.**
- 37. In the Matter of Jot Condie, FPPC No. 10/542.** Staff: Political Reform Consultant Adrienne Korchmaros. Respondent Jot Condie, as a member of the State of California Travel and Tourism Commission, failed to timely file a 2009 annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
- 38. In the Matter of Melodee Conrad, FPPC No. 10/894.** Staff: Political Reform Consultant Adrienne Korchmaros. Melodee Conrad, Governing Board Member for the Junction Elementary School District, failed to timely file a 2009 annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**
- 39. In the Matter of Hunter Stern, FPPC No. 10/1039.** Staff: Political Reform Consultant Jeanette E. Turvill. Hunter Stern, a member of the Marin County Workforce Investment Board, failed to timely file his 2009 annual Statement of

Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

- 40. In the Matter of Demosthenes Vardiabasis, FPPC No. 10/1108.** Staff: Political Reform Consultant Teri Rindahl. Respondent Demosthenes Vardiabasis, a commissioner of the Economic Development Commission, failed to file a 2009 annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count).
Total Proposed Penalty: \$200.

Statement of Economic Interests - Non-Reporting

- 41. In the Matter of William Taylor, FPPC No. 10/590.** Staff: Commission Counsel Zachary W. Norton. Respondent William Taylor, Clinical Professor of Surgery and a principal investigator with the University of California, San Diego, failed to disclose on the Statement of Economic Interests he filed in conjunction with an application for a research project, his interests in a non-governmental funding source that provided grants for his projects, in violation of Government Code Section 87300 (4 counts).
Total Proposed Penalty: \$12,000.

Statement of Economic Interests - Non-Reporting – Streamline

- 43. In the Matter of Lori Pfeiler, FPPC No. 10/489.** Staff: Commission Counsel Zachary W. Norton and Special Investigator Paul Rasey. Escondido Mayor Lori Pfeiler failed to disclose on her 2009 annual Statement of Economic Interests, a gift of travel from the **Palomar Pomerado** Health Foundation, valued at \$27,685, in violation of Government Code Section 87207 (1 count).
Total Proposed Penalty: \$200.
- 9. In the Matter of George Barich, FPPC No. 09/774.** Staff: Commission Counsel Bridgette Castillo and Special Investigator Janet Seely. In this matter, Respondent made a \$1,000 cash campaign contribution, in violation of Government Code Section 84300, subdivision (a) (1 count). Additionally, Respondent successfully ran for Cotati City Council in the November 4, 2008 election; however, Respondent failed to establish a single campaign bank account upon receipt of contributions of \$1,000 or more for his 2008 Cotati City Council campaign, in violation of Government Code Section 85201 (1 count).
Total Proposed Penalty: \$7,500.

After discussion by the Commission, Commissioner Hodson moved to accept the stipulation on the Barich matter, seconded by Commissioner Montgomery.

AYES: Commissioner Hodson, Commissioner Montgomery, Chairman Schnur

NOES: Commissioner Rotunda The motion passed 3-1.

- 14. In the Matter of Yes on Proposition B, FPPC No. 10/932.** Staff: Chief of Enforcement Gary Winuk and Political Reform Consultant Adrienne Korchmaros. In this matter, Respondent Yes on Proposition B was formed in 2010 as a primarily formed ballot measure committee supporting Proposition B, which was placed on the November 2010 ballot in the City of San Francisco. Respondent failed to provide written disclosure for a period of at least five seconds identifying persons whose contributions were \$50,000 or more on a television advertisement, in violation of Government Code Section 84503 (1 count). **Total Proposed Penalty: \$2,000.**

After discussion by the Commission, Commissioner Rotunda moved to accept the staff recommendation, seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda and Chairman Schnur. The motion passed 4-0.

GENERAL - ITEMS 44 THROUGH 49

- 44. Adoption of Amendments to Regulation 18239 – Adding “PlacemenAgents” to the Definition of “Lobbyist.”** Staff: Commission Counsel Heather Rowan and General Counsel Scott Hallabrin. Assembly Bill 1743 amends the Act, effective January 1, 2011, to add “placement agents” to the Act’s definition of “lobbyist” in Section 82039. Placement agents, defined in new Section 82047.3, are essentially individuals who are compensated as intermediaries in connection with the offer or sale of securities, assets, or specified services to a state public retirement system. This amendment proposes adding placement agents to the Commission’s regulation defining which individuals are lobbyists.

Staff gave their report on Item 44, Regulation 18239, adding “Placement Agents” to the Definition of “Lobbyist.”

Commissioner Rotunda moved to amend the regulation as proposed, seconded by Commissioner Montgomery.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, and Chairman Schnur. This motion passed 4-0

- 45. Adoption of Amendments to Regulation 18313.5.** Staff: Assistant General Counsel John W. Wallace and General Counsel Scott Hallabrin. The proposed amendment to Regulation 18313.5 would add “Notices of Investigations” to the list of items to be posted on the Commission’s website. The amendment states the posting timelines for these documents, including when they will be posted and when they will be removed. The amendment also sets out the type of information that will be redacted to preserve privacy rights and where necessary to protect an ongoing investigation.

Chairman Schnur stated that Item 45 is now pulled from the agenda for further revision.

Items 46, 47 and 48 were approved as submitted.

- 46. **Legislative Report.** Staff: Legislative Coordinator Tara Stock. As submitted
- 47. **Litigation Report.** Staff: General Counsel Scott Hallabrin. As submitted
- 48. **Executive Director's Report.** Staff: Executive Director Roman Porter.
As submitted

Commissioner Rotunda moved to adjourn the meeting, seconded by Commissioner Hodson.

AYES: Commissioner Hodson, Commissioner Montgomery, Commissioner Rotunda, and Chairman Schnur. This motion passed 4-0

CLOSED SESSION

- 49. **Pending Litigation** (Gov. Code Section 11126(e) (1)).
 - a. ***ProtectMarriage.com, et al. v. Debra Bowen, et al.*** (Federal District Court for the Eastern District of California, Case No. 2:09-cv-00058-MCE-DAD).

Chairman Schnur announced that the Commission was not holding an executive session and, with no further business the meeting adjourned.

Dated:

Adrienne Tackley
Commission Assistant

Approved:

Ann Ravel, Chair
Fair Political Practices
Commission

